

Thursday, 10 July 1952

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PRESENT: General Smith, Messrs. Dulles, Wisner, Becker, Col. White, []

Mr. Dulles:

a. Noted that the American Legion Security Committee had requested CIA to furnish the speaker for their next meeting to be held in Miami and recommended Mr. Kirkpatrick. The DCI approved.

b. Noted that Ambassador Warren was anxious for us to do what we could to persuade the Government to ship wheat to Pakistan. The Director stated this was a matter of concern to the Department of State; however, he would mention it at the PSB Luncheon today. Mr. Dulles undertook to prepare a brief memorandum on this subject for the Director's use.

25X1 c. Noted that [] desired to pick up the Princeton Statement today. The Director said that he had had opportunity to make only a few comments on State's review of this paper and as a whole the review was rather weak. He also stated that the President had asked for a copy of the Statement in question as originally written. After some discussion, the Director noted he would also discuss this matter at the PSB Luncheon.

Mr. Wisner:

25X1 a. Gave the Director an extensive report on the Congress for Cultural Freedom. The DCI asked [] to have this report briefed for him.

25X1 b. Referred to the Director's request for a report as to how the Department of Justice had learned that [] had held discussions with [] and stated that this information was contained in a memorandum submitted by George Kennan to the Department of Justice in 1949. 25X1

25X1 c. Raised the question of GS rating for [] and stated that [] had requested that he be appointed in grade 18. Mr. Wisner went on to say that while [] was not particularly concerned with the money involved, he did feel that his GS rating was a most important factor in lending prestige to his job. After considerable discussion as to how this matter was to be solved and wherein Col. White noted that in addition to [] desire that he be appointed an 18 there were four grade 16's involved in the [] project, the DCI directed that (1) Col. White discuss this matter with the Bureau of the Budget; (2) there would be established a ceiling on supergrades and, in the future, newly employed officers eligible for these grades would have to take available vacancies and, if none existed, they would be offered employment in grade 15 and promoted to supergrades as they became vacant. In connection with the number of supergrades 25X1

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Mr. Wisner (Cont'd.)

now being used by the Agency, Col. White stated that it was his opinion we could justify each and every one. The Director noted that CIA was an intelligence organization and this fact must be borne in mind in the allotment of supergrades.

d. Left with the Director the recommendations of the FRC that he approve a certain sum in order to permit OPC projects and programs to continue to operate during the first quarter of the new fiscal year, during which time these programs and projects would be extensively reviewed in order to reduce the number. Mr. Dulles noted that if these projects and programs had been previously approved he did not see the necessity in submitting them again to the Director. Col. White stated that while this would hold true for some of the projects, there were others which it would not and he, therefore, required some authorization to release the funds involved. After some discussion, the Director stated that the whole project review procedure should be reviewed and actually we should have only two types of projects -- those for which only a given amount was necessary and those which would continue from year to year. In the case of the latter, the Director stated it would not be necessary to approve these projects each year; however, it would be essential that a better system of audit and review than we now have be established and further it was also essential that greater care be exercised in the submission of proposed budgets. *The First Country Program was presented last week but has been withdrawn and is awaiting results of a murder Board composed of [redacted] and others. This Board is reviewing in detail our undertakings as compared to our capabilities.*

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